

**State of New Jersey
Department of Community Affairs
Division of Housing**

**Request for Proposals
State Rental Assistance Program (SRAP) – Project-Based Assistance**

Purpose and Description of Request

The New Jersey Department of Community Affairs announces the availability of rental assistance grants for the purpose of creating and/or expanding permanent affordable housing.

This RFP invites eligible project sponsors to submit proposals for the purpose of awarding project-based housing vouchers through an open competitive process.

Eligible Projects

Eligible projects include:

- Low Income Housing Tax Credit projects where the developer and/or general partner is a for-profit entity
- Any permanent rental project where the owner and/or general partner is a nonprofit entity

25% of the allocation will be reserved for projects that serve special needs populations and can document that appropriate supportive services are available.

Project Requirements

- The project sponsor must have site control prior to applying for SRAP PBA funds. Acceptable forms of site control are an executed lease agreement, a deed or other proof of ownership, an executed option to purchase or lease, or an executed contract of sale.
- For new construction projects – the project sponsor must have all of the funding commitments in place. Evidence must be submitted demonstrating that funding arrangements have been obtained. This evidence must clearly state the name of the entity that is making the commitment, the amount of the commitment and the purpose of the commitment.

In addition, the project must be ready for full lease up within one year of SRAP PBA award.

Eligible Activities

Eligible uses shall include existing rental housing, new construction, and substantial rehabilitation.

Please note that no more than twenty-five (25) percent of the units in a building may have project-based assistance from SRAP or any Federal project-based housing assistance. Exceptions to this cap are:

1. Project-based dwelling units in a single family (one to four unit property);
or
2. Units in a multifamily building (five or more) set-aside for the elderly or disabled.

Term of Assistance

The term of assistance shall be for a maximum of 10 years, dependent upon continued funding availability and compliance with the terms of the Housing Assistance Payment Contract.

Eligible Households

Priority will be given to projects that assist the following households:

- Post-incarcerated
- Aging out youth
- Special needs

Households may earn up to forty (40) percent of the area median income. Households residing in existing housing may earn up to eighty (80) percent of the area median income.

Reasonable Rents

Rents must be reasonable in comparison to other unassisted comparable apartments in the area. Applicants will be required to demonstrate the reasonableness of their rents by providing information about market rents for comparable units. Annual rent increases will be based on rent increases of comparable unassisted units. The owner must request annual rent increases with documentation of rent reasonableness.

In any project where the rents are restricted or will be restricted as a result of any governmental funding program (i.e. Balanced Housing, Federal HOME, Regional Contribution Agreements, inclusionary housing receiving COAH credit etc), the maximum contract rent will be capped at the restricted rent of the funding program.

RFP REQUIREMENTS

Project Summary:

Project Information:

- Project name
- Project address
- Municipality
- County
- Amount of SRAP PBA funds requested
- Number of units and bedroom breakdown
- Projected rent schedule for all units: SRAP, affordable and remaining.
- Population to be assisted:
- For Special Needs projects describe the type of housing to be provided. Is it leased-based housing?
- For Special Needs projects identify the support services provider, the source of funding for supportive services and describe the range of services to be provided.
- Project Type: Existing, Rehabilitation or New Construction
For **Existing Projects**: Attach the current rent roll (not more than 60 days old) and identify the following:
 1. The year that the project was placed in service;
 2. The number of affordable units;
 3. Identify all rental subsidy sources currently provided to the project and the units subsidized;
 4. Identify the number of units that do not have rent subsidies;
 5. What are the current occupancy and vacancy rates for the project?
 6. What are the current income levels for the project tenants?
 7. Identify the type of utilities that are included;
 8. If the rents in your projected are “deed restricted” - identify the program, and contact information of the administrative agent (name, address, phone, fax and e-mail and attach a copy of Deed Restriction(s), note and mortgage (if applicable);
 9. Provide proof of site control; and
 10. Provide a copy of the Fair Marketing Plan.

For **New Construction** include the following information:

1. The date the project is anticipated to be placed in service (must be ready for lease up within one year of PBA commitment);
2. Identify all of the funding sources and attach copies of funding commitments;
3. Projects financed through NJHMFA should attach the approved Form 10;
4. Identify the number of affordable units and the unit mix by bedroom size – also include requested subsidy breakdown;
5. Identify the number of units the PBA request is for and the unit mix by bedroom;
6. Identify the remaining units, the unit mix by bedroom size and the proposed rent schedule;
7. Identify the type of utilities that are included;
8. If the rents in your project are “deed restricted”, identify the program and contact information of the administrative agent (name, address, phone, fax, e-mail and attach a copy of the Deed Restriction(s), note and mortgage if applicable); and
9. Provide a copy of the Fair Marketing Plan.

Sponsor Information:

- Name of Sponsor/Owner
- Contact Person
- Contact Phone Number, Fax and E-mail
- Type of Sponsor/Owner: Low Income Housing Tax Credit Project or Nonprofit Sponsor

Management Agent:

- Name of Agent
- Contact Person
- Contact Phone Number, Fax and E-mail

Project Narrative:

- Description of Project which provides a timeline for activities including specific benchmarks for acquisition, assembly of the development team, plans and specifications, completion of financial approvals, municipal approvals, building permits, project construction start date, completion

date and estimated date of lease up.

- Operating pro forma listing all incoming revenue delineated by unit type, supplemental income, and expenses anticipated to be incurred.
- Development budget including acquisition, construction, soft costs, developer fees, all other operating costs and an operating reserve.
- Commitment letters from funding sources.
- Documentation to support rent reasonableness.
- Experience and qualifications of the project sponsor.

For existing housing, project sponsors must include documentation that the building is in good standing, i.e. property taxes and insurance is current. Documentation should include a list of occupied units providing household composition, gross annual income, and current rental rate and utility responsibility.

Definition of Terms:

1. Rent burdened – A household is rent burdened when the cost of rent and utilities exceed fifty percent of the household's gross monthly income.
2. Special Needs Population – This population includes persons with mental illness, developmental disabilities, physical disabilities, HIV/AIDS, youth aging out of foster care, homeless households and victims of domestic violence.
3. Substantial Rehabilitation - Rehabilitation costs that exceed fifty percent of the value of the property.

RFP Submission:

All RFP's, including an original and five copies, are due by December 7, 2007 and should be mailed to the following address:

New Jersey Department of Community Affairs
Division of Housing
P.O. Box 051
Trenton, New Jersey 08625-0051

Attention: SRAP – Project-Based Assistance

In addition, please e-mail the complete package to the following address:
hmittchell@dca.state.nj.us.

SRAP PBA RFP COVER SHEET	
Project Name: _____	
Project Address: _____	
Municipality: _____	
County: _____	
Amount of SRAP Funds Requested: _____	
Number of SRAP Units: _____	
Bedroom Breakdown: _____	
Population to be Assisted: _____	
Special Needs; Mentally Ill; Developmentally Disabled; Physically Disabled; HIV/AIDS; Victims of Domestic Violence; Elderly; Family, DYFS; or Other.	
Project Type:	
Existing, Rehabilitation or New Construction: _____	
Low-Income Housing Tax Credit (Yes or No): _____	
Nonprofit (Yes or No): _____	
Sponsor Information:	
Name of Organization: _____	
Contact Person: _____	
Phone Number: _____	
Fax Number: _____	
E-mail Address: _____	